

# WASHINGTON TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

## GENERAL BANKING SERVICES

Project Name: General Banking Services

Date Packet Available: July 19, 2010

Bid Due By: August 2, 2010

Bid Submitted By: \_\_\_\_\_

PUBLIC NOTICE

REQUEST FOR PROPOSAL

NOTICE IS HEREBY GIVEN that proposals are being solicited by the Washington Township Municipal Utilities Authority for the following service:

GENERAL BANKING SERVICES

The RFP package for this service may be obtained at the Authority's Office, 152 Whitman Drive Turnersville, NJ 08012 during regular business hours (8:00 a.m. to 5:00 p.m. Monday-Thursday) or online at the Authority's website, [www.wtmua.com](http://www.wtmua.com).

Interested respondents shall submit one (1) original; and four (4) bound copies of their proposal of which one (1) must be unbound for further copying (if necessary).

The Authority requires that the RFP response be submitted by Tuesday, August 2, 2010 prior to 3:00 p.m. at the Authority's Office, 152 Whitman Drive Turnersville, NJ 08012. There will be a public reading of the names and respective cost proposals at 3:00 p.m. on Tuesday, August 2, 2010 in the Authority's Office.

Elizabeth Rogale

Deputy Executive Director/Chief Financial Officer

# **SPECIFICATION AND PROPOSAL FOR GENERAL BANKING SERVICES FOR THE WASHINGTON TOWNSHIP MUNICIPAL UTILITIES AUTHORITY**

**Intent:** The Washington Township Municipal Utilities Authority is issuing a Request for Proposal to financial institutions to provide general banking services.

The Authority proposes a contract term of three (3) years with either party having the option to terminate the contract with ninety (90) days written notice of its intention to terminate. The estimated effective date of this agreement is September 1, 2010.

Please submit the RFP items requested in this communication, along with any additional information regarding services the financial institution offers to municipal governments.

## **I. Terms of the banking agreement:**

1. The financial institution must be fully qualified as a “Public Depository” pursuant to the State of New Jersey Government Unit Depository Protection Act and must continue to be such during the three (3) year contract period.
2. The Authority reserves the right to hold oral discussions with all institutions prior to selections.
3. By submitting a proposal, the proposer certifies that he or she has fully read and understands the RFP and has full knowledge of the scope, nature, quantity and quality of the work to be performed.
4. The institution shall furnish such additional information as the Authority may reasonably require. The Authority reserves the right to make reasonable inquiries of the qualifications of the institution, as it deems appropriate.
5. The Authority reserves the right to reject any/or all proposals, and the right to accept the proposal that it considers most favorable to the Authority’s interests. In addition, the Authority reserves the right to seek new proposals when such a procedure is in its best interest to do so.
6. The institution must submit a copy of the Business Registration Certificate under C57, Law of 2004 (S1778 signed 6/29/04)
7. The institution must comply with the State of New Jersey’s Pay-to-Play regulations.

## **II. Required Services for Responding Financial Institutions:**

1. Monthly statements are due to the Authority by the 10th of each month.
2. Full monthly reconciliations to be completed for all accounts. Specifically, all checks must be in numerical order.
3. Interest paid on all accounts and method of interest calculation.
4. Next business day availability for deposited checks.
5. Availability of sweep accounts and corresponding interest rates.
6. Monthly account analysis, detailing all fees and charges as well as earnings credit.
7. Web based computer banking (Real Time) allowing access to banking services such as; book transfers, wire transfers, statements, etc. A demonstration of this service may be requested by the Authority.
8. Currently, a portion of the Authority's funds are held in trust by TD Wealth Management and funds flow to and from the Authority's cash accounts on a regular basis. The institution must demonstrate the ability to support such transactions.
9. Proposal must include free checks (laser) and deposit slips on all accounts.

## **III. Please respond to the following items:**

1. The institution must denote transaction cut off for deposits to be considered received that day and not carried forward to the next day. Indicate cut off time at branches and the financial institution's main office.
2. The Authority requires a bank office in a convenient location where it can transact business.
3. Please state the location of this bank or branch and list the number of bank branches within a five-mile radius of the Authority.
4. In order to maximize the yield on idle Authority funds, a sweep account may be requested. The amount of this investment will vary. The Authority welcomes any methods recommended by the institution on the daily investment of idle funds; however, any of these proposed methods should be described in detail and must have the interest rate tied to an effective index rate.

5. Do you have professional staff dedicated to municipal financing and municipal debt financing?

Please list the principal members of that Department and their location.

#### **IV. General Information:**

- The total utility charges collected for calendar year 2009 were approximately \$10,000,000.
- The Authority's Current Operating Budget for 2010-2011 is approximately \$10,000,000.
- The Authority issues approximately 1,000 accounts payable checks annually.
- The Authority maintains accounts as listed below:
  1. Revenue Account- All water and sewer collections and other receipts are deposited into the Revenue Account. The Authority makes deposits each day of operation and deposits approximately 4,000 items each month. Monthly deposits average approximately \$850,000. Funds are transferred to the Revenue Investment Fund held by TD Wealth Management on the last business day of the month.
  2. Operating Account- All operating payments are disbursed from the Operating Account. Funds are transferred from the Operating Investment Fund held by TD Wealth Management on a monthly basis for the payment of bill list items. Funds are transferred from the Operating Investment Fund held by TD Wealth Management on a weekly basis and subsequently transferred to the Payroll Account for payment of the Authority's payroll.
  3. Unemployment Trust Account- Funds are maintained in the Unemployment Trust Account for payment of unemployment claims.
  4. Payroll Account- The Authority pays its employees on a weekly basis. Payroll services are provided by Action Data Services (ADS). Funds are transferred from the Operating Account to the Payroll Account on a weekly basis.
  5. ZBA Account- Required payments are debited from the Payroll Account to the ZBA Account and then subsequently debited from the ZBA Account by ADS. The Authority requires that the proposing institution coordinate with ADS with regard to these activities.

#### **V. Cost Proposal:**

1. The cost proposals submitted to the Authority must be all inclusive. Compensating balance levels, reserve requirements, etc. should be addressed. All services not mentioned or general services incidental to the operations of accounts maintained by the Authority and not addressed are expected to be provided at no additional costs.

The Authority reserves the right to accept the proposals for all types of services from the same institution or split the services among different institutions if it is in the best interest of the Authority to do so.

Assume the activity estimates referred to throughout this document to be a reasonable estimate of activity to be experienced. The rates quoted per item by the institution will be considered fixed, regardless of activity deviation. The Authority does not guarantee any minimum or maximum volume of activity.

2. Indicate the institution's per item processing fees paid by the Authority and revenues to be paid to the Authority. The fees should be presented on a unit cost basis. The institution shall identify any specific services, which are not included in the analysis that may be subject to fees or charges payable by the Authority.

**VI. Information Requested of the Financial Institution (including mandatory forms):**

Please organize your proposals in the following manner:

1. Title page: Show name of the financial institution, address, telephone, and fax numbers, name of contact person and the date the proposal was submitted to the Authority.
2. Table of Contents: Include a clear identification of the material by section and page number.
3. Letter of Transmittal: The letter is not to exceed two pages in length and should contain the following information:
  - a. State the institution's understanding of the scope of the service to be performed.
  - b. Indicate whether institution is a parent or subsidiary associated with a holding company and describe its relationship to other in the group, if applicable.
  - c. Financial reports for the previous two years. (Please include as an attachment at the end of your proposal.)
  - d. Current financial rating as issued by Moody's, Standard and Poor's and or Fitch.
  - e. State if the institution is chartered to do business in the State of New Jersey and attach a Governmental Unit Depository Protection Act certification of eligibility.
4. Proposal: Response to all items in Section III and Cost Proposal.

5. Business Registration Certificate Form
6. Required Pay-to-Play documentation

**VII. Summary of Financial Institution's Qualifications:**

1. Indicate the institution's background in providing banking services to municipal units of government, in general, and specifically, to agencies the size of the Authority. Provide a listing of municipal client references that are presently using the institution's professional services – i.e., the client name, address, telephone number and contact person.
2. Please provide any other material that may be helpful in reviewing the proposal, including any attachments, schedules, financial information, etc.

**VIII. Evaluation of Proposals:**

The contract will be awarded to the institution providing the primary banking services at the lowest net cost and who meets the needs of the Authority most efficiently, provided the price is reasonable and is in the best interest of the Authority to accept it.

The following criteria will be used to evaluate the proposals.

1. Responsiveness of the proposal related to the scope of the work.
2. Ability, capacity, and skill of the financial institution to perform the services on a timely basis.
3. Responses of client references.
4. Experience of the financial institution in establishing and maintaining similar accounts.
5. Best arrangement and rate for earnings allowance.
6. The sufficiency of financial resources and ability of the institution to perform the contract.
7. The reputation, stability, and longevity of the institution.
8. The quality, availability, and adaptability of the services to the particular need required.
9. Physical proximity of the banking location to the Authority's Office.

**IX. Additional information:**

1. Any questions relative to interpretation of specifications or the RFP process should be submitted to the Deputy Executive Director/Chief Financial Officer of the Authority in writing.

**Please direct inquiries to:**

Elizabeth Rogale  
Deputy Executive Director/Chief Financial Officer  
Washington Township Municipal Utilities Authority  
Email: [erogalewtmua@verizon.net](mailto:erogalewtmua@verizon.net)

**X. Receipt of Proposal:**

One (1) original, and four (4) bound copies of their proposal of which one (1) must be unbound for further copying (if necessary) in a sealed envelope marked “General Banking Services for the Washington Township Municipal Utilities Authority” submitted by your institution must be received in the Authority’s Office no later than 3:00 P.M. on August 2, 2010.

All proposals submitted shall be binding for ninety (90) calendar days following the above due date.

Proposals received by the Authority after the time specified will not be considered.

All information required by the RFP must be supplied to constitute a valid proposal.

The Deputy Executive Director/Chief Financial Officer will review and evaluate all proposals submitted in response to the RFP. Based on the results of this evaluation, the Deputy Executive Director/Chief Financial Officer will make a recommendation to the Authority Board. A contract will be executed upon Board approval.

**XI. Financial Institution’s Warranty:**

The person signing the proposal warrants that:

1. He or she is an officer of the organization.
2. He or she has been specifically authorized to offer a proposal in full compliance with all requirements and conditions as set forth in the RFP.